

DM-
24 June 1959

DEPUTIES' MEETING

Present: Mr. Dulles, Mr. Bissell, Mr. Amory, Colonel White,
General Truscott, Mr. Kirkpatrick, Mr. Helms,
Mr. Sheldon (part of meeting), Dr. Kent, [redacted]

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MR. DULLES:

[redacted]
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b. Referred to a proposed letter for his signature to the Secretary of State concerning the situation in Nicaragua and, after considerable discussion, it was agreed that Mr. Bissell would discuss this subject with Mr. Rubottom in State after ONE has revised its Estimate on Nicaragua and submitted it for the consideration of USIB. Mr. Bissell commented that in his discussion with Rubottom it would be necessary for him to take a strong line and point out if action is not taken, the U. S. might find itself in the position of supporting a Communist-penetrated government or a dictatorship. The Director concurred.

c. Noted he had seen Secretary Herter on 22 June and the Secretary praised the work of Bill Bundy during the recent Geneva Conference most highly and sincerely expressed his appreciation for making Bundy available. The Director said that at the present time Mr. Herter is considering the following four points which might be submitted as agenda items should it be decided to call a Summit Conference:

1. Subversive activities conducted from Berlin. It will be suggested that UN observers be stationed in Berlin to report on any U.S./Bloc activities in this field. The Director said he had commented to Mr. Herter that in his opinion we should not limit the discussion on this point to Berlin alone but, rather, expand it to include Germany as a whole.

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4/2 2. Setting ^{up a} group under the four powers to work on the unification of Germany.

3. Pending a report of this group (no time limit to be specified), the situation in Berlin to remain status quo.

4. Phase-out of occupation forces in Berlin.

The Director noted his intention of discussing his conversation with Mr. Herter in more detail with Mr. Critchfield at 4 p.m., this afternoon.

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e. Referred to two messages from [Redacted] and commented we should brief the NSC on the situation there in the very near future. Action: DD/I

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MR. BISSELL:

Reported that at the present time it appeared that DD/P would be unable to effect savings in its programs to provide [Redacted] to continue the mechanization of RI ([Redacted])

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[Redacted] He stated although he had agreed that this program was one which could be cut and the Bureau of the Budget so advised, he now felt it necessary to recommend to the Director that we go to the Bureau for funds from the reserve. Colonel White commented that we were not in a strong position to do this since, as Mr. Bissell had stated, it was one of the programs we could cut. It was suggested as an alternative that we go ahead with it and provide support from next year's funds and reduce other programs to provide funds. The Director commented he did not want to be frozen by Bureau of the Budget ground rules and saw no reason we could not ask for additional money. Colonel White pointed out that we have an understanding with the Bureau and Congressman Cannon that funds from the reserve will only be requested for those

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programs for which we have not budgeted and which could not be foreseen. No decision was made but it was agreed that this matter would again be raised at the end of the fiscal year, at which time an exact accounting will be available for funds saved and not obligated.

MR. HELMS:

a. Noted that the U. S. Ambassador to Cuba had requested that [redacted] come to Havana in order to follow up with Castro the briefing he gave to Castro on the world-wide Communist menace during Castro's recent visit to the U. S. [redacted]

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b. Reported that the [redacted] are giving us a rather hard time in making available a [redacted] and received the Director's permission to have the [redacted] here approached with the request to attempt to straighten out this matter.

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COLONEL WHITE:

a. Referred to a letter to the Director from Congressman Kilday regarding the audit of CIA funds by the GAO and, after some discussion, undertook to prepare a memorandum on this subject to the President for the Director's signature. The Director said he wanted to bring the problems raised in Mr. Kilday's letter to the President's attention before he discussed it with the Comptroller General.

b. Noted we had received a letter from the Bureau of the Budget informing us it would not be necessary to advise that Bureau in advance of property purchased by CIA overseas. However, Budget had asked for a listing of all property owned by this Agency outside the U. S. Action: DCI concurred with Colonel White's recommendation that a list be furnished.

[redacted]
[redacted]

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